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Auditing Theory and Practice. By ROBERT H. MONTGOMERY. New York: The Ronald Press Co., 1912. Pp. xxix+673. \$5.00.

The primacy among treatises on auditing, which until the present has been held by Dicksee's work, now passes to Montgomery's *Auditing Theory and Practice*. Mr. Montgomery has previously rendered a valuable service as editor of the American edition of Dicksee. The present volume is, however, no mere revision or rearrangement of another's work, but an independent treatise, scholarly, comprehensive, masterly. It is a happy blend of well-sustained theoretical writing and practical suggestions based on the author's professional experience. Particularly noticeable are the chapters dealing with the detailed audit, and those treating of investigations, such as are required in connection with a sale or reorganization.

Throughout the work the author takes an advanced position on the question of professional ethics. This is not merely in the short section professing to deal formally with that much-discussed topic, but more valuably in the passages scattered through the book, where in discussing matters of theoretical interest he always stands clearly for professional honor and personal integrity.

Without taking space for detailed review of the text, reference may be made to the author's proposed form of balance sheet, in which he is to be commended for breaking with tradition in the interest of accounting clarity. A shade of inconsistency is, however, to be found in his insistence that provision for bad debts should never be placed among the liabilities or on the liability side of the balance sheet, while he sanctions the placing of a reserve for depreciation among the liabilities. Consistency and clearness of presentation are best secured by rigidly demanding that all items, whose meaning is only that some asset account is overstated, should, in the balance sheet, appear as a subtraction from the particular asset, rather than among the liabilities. And the author is not quite correct in the unqualified statement that in English law a dividend cannot be paid unless the capital is unimpaired.

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Economics as the Basis of Living Ethics. By JOHN G. MURDOCH. Troy, N.Y.: Allen Book and Printing Co., 1913. 8vo, pp. xi+373+vi. \$2.00 net.

In this book the author has attempted a criticism of present-day economic thought from the ethical point of view. Positing the economic interpretation